

GRENADA



FOREIGN RELATIONS: The United States, China, Cuba, and Venezuela have embassies in Grenada. Grenada has been recognized by most members of the United Nations and maintains diplomatic missions in the United States, Canada, China, Cuba, Belgium, the United Kingdom, and Venezuela. Grenada withdrew recognition of Taiwan in 2004 and subsequently established relations with the People's Republic of China.

Grenada is a member of the Caribbean Development Bank, CARICOM, the Organization of Eastern Caribbean States (OECS), the Commonwealth of Nations, and the World Trade Organization (WTO). It joined the United Nations in 1974, and then the World Bank, International Monetary Fund, and Organization of American States (OAS) in 1975. Grenada also is a member of the Eastern Caribbean's Regional Security System (RSS).

U.S.-GRENADIAN RELATIONS: The U.S. Government established an Embassy in Grenada in November 1983. The U.S. Ambassador to Grenada is resident in **Bridgetown**, Barbados. The Embassy in Grenada is staffed by a Chargé d'Affaires who reports to the Ambassador in Bridgetown.

The U.S. Agency for International Development (USAID) played a major role in Grenada's development. In addition to the \$45 million emergency aid for reconstruction from Hurricane Ivan, USAID provided more than \$120 million in economic assistance from 1984 to 1993. About 25 Peace Corps volunteers in Grenada teach special education, remedial reading, and vocational training and assist with HIV/AIDS work. Grenada receives counter-narcotics assistance from the United States and benefits from U.S. military exercise-related construction and humanitarian civic action projects.

Grenada and the United States cooperate closely in fighting narcotics smuggling and other forms of transnational crime. In 1995, the United States and Grenada signed a maritime law enforcement treaty. In 1996, they signed a mutual legal assistance treaty and an extradition treaty as well as an over-flight/order-to-land amendment to the maritime law enforcement treaty. The United States continues to provide training, equipment, and materiel, including three vehicles in 2006, to Grenadian security and defense forces. Some U.S. military training is provided as well.

Grenada continues to be a popular destination for Americans. Of the 98,548 stay over visitors in 2005, 25,181 were U.S. citizens. It is estimated that some 2,600 Americans reside in the country, plus the 2,000 U.S. medical students who study at the St. George's University School of Medicine. (Those students are not counted as residents for statistical purposes.)

GOVERNING JUSTLY AND DEMOCRATICALLY: Grenada is governed under a parliamentary system based on the British model; it has a governor general, a prime minister and a cabinet, and a bicameral parliament with an elected House of Representatives and an appointed Senate.

Citizens enjoy a wide range of civil and political rights guaranteed by the constitution. Grenada's constitution provides citizens with the right to change their government peacefully. Citizens exercise this right through periodic free and fair elections held on the basis of universal suffrage.

The political parties in Grenada are the New National Party (NNP), which remains moderate; the left of center National Democratic Congress (NDC), which is now made up of some members of the New Jewel Movement (NJM) and the original NDC; the People's Labor Movement (PLM), which is a combination of members of the original NDC and the Maurice Bishop Patriotic Movement (MBPM); and the Grenada United Labor Party (GULP). The National Party (TNP) and MBPM no longer exist. The Good Old Democracy Party (GOD) has only one adherent but contests all elections.

The Truth and Reconciliation Commission (TRC), launched in 2001 to investigate the period between the mid-1970s and the late 1980s, sent its report to the government in May 2006. The long-awaited (and two years overdue) report was only released to the public in mid-September 2006, when the government announced it would implement the TRC's recommendations. However, the government was vague on the details of how or when the recommendations would be implemented and called for additional public input. There has been no further progress.

In February 2007, the Privy Council in London handed down its verdict on the appeal of the group that was convicted of murdering Prime Minister Bishop and members of his cabinet in 1983. The "Group of 14" were originally condemned to death, but the sentence was commuted to life in prison. The three triggermen, sentenced to 30 years in prison as they were following orders, were released in December 2006 after serving two-thirds of their original sentence, as per local law. The remainder of the group argued that the original trial was unjust and appealed to the Privy Council to overturn the verdict and sentence. The Privy Council decision, however, only vacated the sentence, on the grounds that the original death sentence was inappropriate. It upheld the convictions of multiple homicides, stripping the group of its political prisoner status. The case was returned to the Grenada Supreme Court for resentencing. The resentencing was heard during the 2007 June Assizes, lasting one week. The court overturned the life sentences. Three of the 13 prisoners were released immediately for time served and the remaining ten are expected to be released in three or four years from the time of resentencing. Some family members of those killed in 1983 were unhappy with the new sentencing as it did not address the whereabouts of the bodies of their loved ones. Accusations of bias against the Barbadian judge arose when it was alleged that he had been a supporter of Maurice Bishop's New Jewel Movement in the 1970s and 1980s.

The 800 members of the Royal Grenada Police Force (RGPF), which includes an 80-member paramilitary special services unit (SSU) and a 30-member coast guard, maintain security in Grenada. The U.S. Army and the U.S. Coast Guard provide periodic training and material support for the SSU and the coast guard. The Departments of State and Treasury provide support to the Financial Investigative Unit (FIU).

INVESTING IN PEOPLE: About 89% of Grenada's population is of African descent. An additional 8.2% are of mixed East Indian, African, and/or Caucasian ancestry, reflecting Grenada's history of African slaves, East Indian indentured servants, and European settlers. An additional 2% of the

population considers itself East Indian, which includes some descendants of the indentured servants brought to Grenada from 1857 to the 1890s, as well as immigrants arriving from Trinidad and Tobago, Guyana, and Indians since the 1970s. A small community (less than 1% of the population) of the descendants of early European settlers resides in Grenada. About 50% of Grenada's population is under the age of 30. English is the official language; few people still speak French patois, though there has been a recent resurgence of interest in re-learning the language. A wide range of Christian denominations are present in Grenada, as well as growing number of other religions.

FOCUS ON PERFORMANCE: Before the arrival of Europeans, Carib Indians had driven the more peaceful Arawaks from the island. Columbus landed on Grenada in 1498 during his third voyage to the new world. He named the island "Concepcion." The origin of the name "Grenada" is obscure, but it is likely that Spanish sailors renamed the island for the city of Granada. By the beginning of the 18th century, the name "Grenada," or "la Grenade" in French, was in common use.

Partly because of the Caribs, Grenada remained un-colonized for more than 100 years after its discovery; early English efforts to settle the island were unsuccessful. In 1650, a French company founded by Cardinal Richelieu purchased Grenada from the English and established a small settlement. After several skirmishes with the Caribs, the French brought in reinforcements from Martinique and defeated the Caribs.

The island remained under French control until its capture by the British in 1762, during the Seven Years' War. The Treaty of Paris formally ceded Grenada to Great Britain in 1763. Although the French regained control in 1779, the Treaty of Versailles restored the island to Britain in 1783. Britain overcame a pro-French revolt in 1795, and Grenada remained British for the remainder of the colonial period.

During the 18th century, Grenada's economy underwent an important transition. Like much of the rest of the West Indies it was originally settled to cultivate sugar, which was grown on estates using slave labor. But natural disasters paved the way for the introduction of other crops. In 1782, Sir Joseph Banks, the botanical adviser to King George III, introduced nutmeg to Grenada. The island's soil was ideal for growing the spice, and because Grenada was a closer source of spices for Europe than the Dutch East Indies the island assumed a new importance to European traders.

The collapse of the sugar estates and the introduction of nutmeg and cocoa encouraged the development of smaller landholdings, and the island developed a land-owning yeoman farmer class. Slavery was outlawed in 1834. In 1833, Grenada became part of the British Windward Islands Administration. The governor of the Windward Islands administered the island for the rest of the colonial period. In 1958, the Windward Islands Administration was dissolved, and Grenada joined the Federation of the West Indies. After that federation collapsed in 1962, the British Government tried to form a small federation out of its remaining dependencies in the Eastern Caribbean.

Following the failure of this second effort, the British and the islands developed the concept of associated statehood. Under the Associated Statehood Act of 1967, Grenada was granted full autonomy over its internal affairs in March 1967. Full independence was granted on February 7, 1974.

After obtaining independence, Grenada adopted a modified Westminster parliamentary system based on the British model, with a governor general appointed by and representing the British monarch (head of state) and a prime minister who is both leader of the majority party and the head of government. Sir Eric Gairy was Grenada's first Prime Minister.

On March 13, 1979, the New Joint Endeavor for Welfare, Education, and Liberation Movement (New Jewel Movement--NJM), ousted Gairy in a coup and established a People's Revolutionary Government (PRG) headed by Maurice Bishop, who became Prime Minister. His Marxist-Leninist government established close ties with Cuba, the Soviet Union, and other communist bloc countries.

In October 1983, a power struggle within the government resulted in the arrest and execution of Bishop and several members of his cabinet and the killing of dozens of his supporters by elements of the People's Revolutionary Army (PRA).

A U.S.-Caribbean force landed on Grenada on October 25, 1983, in response to an appeal from the Governor General and to a request for assistance from the Organization of Eastern Caribbean States. U.S. citizens were evacuated, and order was restored.

An advisory council named by the Governor General administered the country until general elections were held in December 1984. The New National Party (NNP) led by Herbert Blaize won 14 out of 15 seats in free and fair elections and formed a democratic government. Grenada's constitution had been suspended in 1979 by the PRG, but it was restored after the 1984 elections.

The NNP continued in power until 1989 but with a reduced majority. Five NNP parliamentary members, including two cabinet ministers, left the party in 1986-87 and formed the National Democratic Congress (NDC), which became the official opposition.

In August 1989, Prime Minister Blaize broke with the NNP to form another new party, The National Party (TNP), from the ranks of the NNP. This split in the NNP resulted in the formation of a minority government until constitutionally scheduled elections in March 1990. Prime Minister Blaize died in December 1989 and was succeeded as Prime Minister by Ben Jones until the elections.

The NDC emerged from the 1990 elections as the strongest party, winning seven of the 15 available seats. Nicholas Brathwaite added two TNP members and one member of the Grenada United Labor Party (GULP) to create a 10-seat majority coalition. The Governor General appointed him to be Prime Minister.

In parliamentary elections on June 20, 1995, the NNP won eight seats and formed a government headed by Keith Mitchell. The NNP continued to hold power for the next 13 years, with varying levels of representation in parliament, taking all 15 parliamentary seats in the January 1999 elections and 8 of 15 seats in the November 2003 elections. The National Democratic Congress (NDC) led by Tillman Thomas established itself as the official opposition.

Keith Mitchell lost his bid to win an unprecedented fourth term in the July 2008 election. While he won his own seat by a huge margin, only three other NNP candidates were voted in in a very close election. Tillman Thomas led his NDC cohort to an 11 to 4 victory over their longtime rivals. Mitchell is now the leader of the official opposition.

ECONOMIC GROWTH: The economy of Grenada, based primarily upon services (tourism and education) and agricultural production (nutmeg and cocoa), was brought to a near standstill by Hurricane Ivan on September 7, 2004. Thirty-seven people were killed by the hurricane, and approximately 8,000-10,000 left homeless. Hurricane Ivan damaged or destroyed 90% of the buildings on the island, including some tourist facilities. Overall damage totaled as much as 2.5 times annual GDP. Reconstruction proceeded quickly, but much work remains. The United States was the leading donor since the hurricane, with an emergency program of about \$45 million aimed at repairing and rebuilding schools, health clinics, community centers, and housing; training several thousand Grenadians in construction and other fields; providing grants to private businesses to speed their recovery; and providing a variety of aid to help Grenada diversify its agriculture and tourism sectors.

Despite initial high unemployment in the tourist and other sectors, urban Grenadians have benefited post-hurricane from job opportunities in the surging construction sector. Agricultural workers have not fared as well. Hurricane Ivan destroyed or significantly damaged a large percentage of Grenada's tree crops, and Hurricane Emily further damaged the sector. The hurricanes exacerbated an ongoing exodus out of the rural areas to the country's cities and towns as young Grenadians increasingly chose not to farm. Complete recovery will take years. Most hotels, restaurants, and other businesses have reopened. In anticipation of the April 2007 Cricket World Cup matches held on the island, many Grenadians renewed their focus on the rebuilding process. Predictions are for an increase in tourism, although Grenada lags behind its neighbors in marketing the island abroad, particularly in the largely untapped U.S. market. St. George's University, a large American medical and veterinary school with about 3,700 graduate and undergraduate students, is in full operation.

Grenada is a member of the Eastern Caribbean Currency Union (ECCU). The Eastern Caribbean Central Bank (ECCB) issues a common currency for all members of the ECCU. The ECCB also manages monetary policy, and regulates and supervises commercial banking activities in its member countries.

Grenada is also a member of the Caribbean Community and Common Market (CARICOM). Most goods can be imported into Grenada under open general license, but some goods require specific licenses. Goods that are produced in the Eastern Caribbean receive additional protection; in May 1991, the CARICOM common external tariff (CET) was implemented. The CET aims to facilitate economic growth through intra-regional trade by offering duty-free trade among CARICOM members and duties on goods imported from outside CARICOM. In the spring of 2008, due to dramatic increases in the costs of food and fuel, the government removed the CET from some essential items, including baby formula, yeast, and baking powder.